

RECEIVED  
LEGISLATIVE AUDITOR

05 JUL 14 AM 11:09

**AVOYELLES PARISH POLICE JURY**

Marksville, Louisiana

**Financial Report****Year Ended December 31, 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-20-05

## TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
 BASIC FINANCIAL STATEMENTS	
 GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net assets	5
Statement of activities	6
 FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	9
Reconciliation of the governmental funds balance sheet to the statement of net assets	10
Statement of revenues, expenditures, and changes in fund balances- governmental funds	11-12
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	13
Combining statement of net assets - component units	14
Combining statement of activities - component units	15
Statement of fiduciary assets and liabilities	16
 Notes to basic financial statements	17-35
 REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules:	
General fund	37
Road and bridge	38
Solid waste	39
Drainage	40
Health unit	41
Library	42
Section 8 HUD	43
 Notes to budgetary comparison schedule	44

(continued)

## TABLE OF CONTENTS (continued)

	<u>Page</u>
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
<b>OTHER FINANCIAL INFORMATION</b>	
Nonmajor Governmental Funds -	
Combining balance sheet	47
Combining statement of revenues, expenditures, and changes in fund balances	48
Nonmajor special revenue funds -	
Combining balance sheet	50
Combining statement of revenues, expenditures, and changes in fund balances	51
Nonmajor debt service funds -	
Combining statement of revenues, expenditures, and changes in fund balances	53
Nonmajor capital projects funds -	
Combining balance sheet	55
Combining statement of revenues, expenditures, and changes in fund balances	56
<b>COMPLIANCE, INTERNAL CONTROL AND OTHER GRANT INFORMATION</b>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	58-59
Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	60-61
Schedule of expenditures of federal awards	62
Notes to schedule of expenditures of federal awards	63
Schedule of findings and questioned costs	64-65
Summary schedule of current and prior year audit findings and corrective action plan	66

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

P.O. Box 531  
Marksville, LA 71351

Phone (318) 253-9252  
Fax (318) 253-8681

WEB SITE:  
WWW.KCSRCPAS.COM

MEMBER OF:

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

Robert S. Carter, CPA  
Allen J. LaBry, CPA  
Harry J. Clostio, CPA  
Al Leger, CPA  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA  
Mandy B. Self, CPA

\* A Professional Accounting Corporation

## INDEPENDENT AUDITORS' REPORT

To the Members of the Police Jury  
Avoyelles Parish  
Marksville, Louisiana

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 2004, which collectively comprise the Police Jury's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Police Jury's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data of various governmental agencies (component units), which should be included in order to conform to generally accepted accounting principles. The effects of the omission of these governmental agencies on assets, liabilities and fund equity at December 31, 2004 and the excess of revenues over expenditures for the year then ended on the financial statements cannot be determined.

In our opinion, because the omission of the financial statements of component units results in an incomplete presentation as explained in the third paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Avoyelles Parish Police Jury, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

183 South Beadle Road  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddil  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W. Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W. Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

As described in Note 2 to the basic financial statements, the Police Jury adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, Statement No. 37, Basic Financial Statements - And Management's Discussion and Analysis - For State and Local Governments: Omnibus, Statement No. 38 Certain Financial Statement Note Disclosures, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements. This results in a change in the format and content of the financial statements.

In accordance with Government Auditing Standards, we have also issued a report dated June 13, 2004 on our consideration of the Avoyelles Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information, on pages 37 through 44, is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The Avoyelles Parish Police Jury has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Avoyelles Parish Police Jury's basic financial statements. The other supplementary information on pages 47 through 66 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards (page 62) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements of the Avoyelles Parish Police Jury. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Marksville, Louisiana  
June 13, 2005

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Statement of Net Assets  
December 31, 2004

	Governmental Activities	Component Units
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$3,650,654	\$ 72,715
Receivables, net	1,567,958	7,377
Due from component unit	15,961	-
Due from other governmental units	82,098	-
Due from primary government	-	17,105
Other assets	<u>238,394</u>	<u>23</u>
Total current assets	<u>5,555,065</u>	<u>97,220</u>
Noncurrent assets:		
Land	439,467	82,000
Capital assets, net	<u>2,796,401</u>	<u>26,271</u>
Total noncurrent assets	<u>3,235,868</u>	<u>26,271</u>
Total assets	<u>8,790,933</u>	<u>123,491</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts, salaries and other payables	402,031	39,486
Due to component unit	17,105	-
Due to other governmental units	47,822	-
Due to primary government	-	15,961
Compensated absences payable	38,740	-
Capital lease payable	<u>13,000</u>	<u>-</u>
Total current liabilities	<u>518,698</u>	<u>55,447</u>
Noncurrent liabilities:		
Compensated absences payable	71,806	-
Capital leases payable	<u>20,692</u>	<u>-</u>
Total noncurrent liabilities	<u>92,498</u>	<u>-</u>
Total liabilities	<u>611,196</u>	<u>55,447</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	3,202,176	108,271
Unrestricted	<u>4,977,561</u>	<u>41,773</u>
Total net assets	<u>\$8,179,737</u>	<u>\$ 150,044</u>

The accompanying notes are an integral part of the basic financial statements.



6

**FUND FINANCIAL STATEMENTS (FFS)**

## **FUND DESCRIPTIONS**

### **General Fund**

#### **General Fund**

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

#### **Road and Bridge Fund**

To account for the construction and maintenance of roads and bridges on a parishwide basis. Major means of financing provided by a sales tax of one-fourth of one percent (1/4%) and the State of Louisiana Parish Transportation Fund.

#### **Solid Waste Fund**

To account for the providing of garbage and waste collection and/or disposal for the Parish. Financing is provided by a sales tax of three fourths of one percent (3/4%).

#### **Drainage Fund**

To account for expenditures for maintaining the parish drainage system. Major means of financing is provided by ad valorem taxes and state revenue sharing.

#### **Health Unit Fund**

To account for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish. Major means of financing is provided by ad valorem taxes and state revenue sharing.

#### **Library Fund**

To account for the operation and maintenance of the parish library. Major means of financing is provided by ad valorem taxes and state revenue sharing.

#### **Section 8 HUD - Program Fund**

To account for funds provided under the Section 8 Housing Voucher Program by the United States Department of Housing and Urban Development. The monies are used to aid low income families in obtaining decent, safe and sanitary housing through a system of rental subsidies.

### **Capital Projects**

Capital projects funds are used to account for financial resources received and used to acquire, construct, or improve capital facilities not reported in the governmental funds.

#### **Casino Capital Improvement Fund**

To account for the accumulation of resources for, and payment of, cost to construct and improve public roads and bridges. Funding is provided by proceeds derived from the \$1,700,000 Certificates of Indebtness, Series 1997.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Balance Sheet  
Governmental Funds  
December 31, 2004

	ASSETS													
	General	Road & Bridge	Solid Waste	Drainage	Health Unit	Library	Section 8	Casino Capital Improvement	Other Governmental Funds	Total				
Cash and interest-bearing deposits	\$ 469,846	\$ -	\$ 1,957,049	\$ 4,518	\$ 561,078	\$ 321,764	\$ 146,532	\$ 10,010	\$ 179,857	\$ 3,650,634				
Receivables	381,242	116,747	223,968	260,811	121,608	462,426	520	-	636	1,567,958				
Due from other funds	202,288	88,280	125,217	16,654	284,208	63,430	1,615	-	8,030	789,722				
Due from component unit	15,730	-	231	-	-	-	-	-	-	15,961				
Due from other governmental units	82,098	-	-	-	-	-	-	-	-	82,098				
Other assets	15,777	108,720	65,718	21,848	5,111	10,488	10,732	-	-	238,394				
Total assets	<u>\$ 1,166,981</u>	<u>\$ 313,747</u>	<u>\$ 2,372,183</u>	<u>\$ 303,831</u>	<u>\$ 972,005</u>	<u>\$ 858,108</u>	<u>\$ 159,399</u>	<u>\$ 10,010</u>	<u>\$ 188,523</u>	<u>\$ 6,344,787</u>				

LIABILITIES AND FUND BALANCES

Liabilities:														
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265	\$ 265				
Accounts, salaries, and other payables	95,088	77,086	174,681	23,884	6,511	22,538	592	-	1,386	401,766				
Due to other funds	91,680	235,121	35,828	72,413	284,825	64,211	2,784	-	2,860	789,722				
Due to component units	4,606	1,540	10,959	-	-	-	-	-	-	17,105				
Due to other governmental units	-	-	-	-	-	-	47,822	-	-	47,822				
Total liabilities	<u>191,374</u>	<u>313,747</u>	<u>221,468</u>	<u>96,297</u>	<u>291,336</u>	<u>86,749</u>	<u>51,198</u>	<u>-</u>	<u>4,511</u>	<u>1,256,680</u>				
Fund balances -														
Reserved for housing purposes	-	-	-	-	-	-	97,469	-	-	97,469				
Unreserved, designated for capital expenditures	-	-	-	-	-	-	-	-	179,857	179,857				
Unreserved, designated for subsequent years' expenditures	15,777	-	65,718	21,848	5,111	10,488	10,732	-	-	129,674				
Unreserved, undesignated	959,830	-	2,084,997	185,686	675,558	760,871	-	10,010	4,155	4,681,107				
Total fund balances	<u>975,607</u>	<u>-</u>	<u>2,150,715</u>	<u>207,534</u>	<u>680,669</u>	<u>771,359</u>	<u>108,201</u>	<u>10,010</u>	<u>184,012</u>	<u>5,088,107</u>				
Total liabilities and fund balances	<u>\$ 1,166,981</u>	<u>\$ 313,747</u>	<u>\$ 2,372,183</u>	<u>\$ 303,831</u>	<u>\$ 972,005</u>	<u>\$ 858,108</u>	<u>\$ 159,399</u>	<u>\$ 10,010</u>	<u>\$ 188,523</u>	<u>\$ 6,344,787</u>				

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets  
December 31, 2004

Total fund balances for governmental funds at December 31, 2004		\$5,088,107
Cost of capital assets at December 31, 2004	\$ 5,999,625	
Less: Accumulated depreciation as of December 31, 2004		
Buildings and improvements	\$ (1,009,185)	
Equipment, furniture, and fixtures	\$ (196,757)	
Heavy equipment	<u>(1,557,815)</u>	3,235,868
Elimination of interfund assets and liabilities		
Due from other funds	789,722	
Due to other funds	<u>(789,722)</u>	-
Long-term liabilities at December 31, 2004:		
Capital leases payable	(33,692)	
Compensated absences payable	<u>(110,546)</u>	<u>(144,238)</u>
Net assets at December 31, 2004		<u>\$8,179,737</u>

The accompanying notes are an integral part of the basic financial statements.



<u>Library</u>	<u>Section 8</u>	<u>Casino Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 427,828	\$ -	\$ -	\$ -	\$ 929,045
-	-	-	-	3,078,596
-	-	-	-	193,755
-	583,629	-	22,510	1,033,201
3,744	-	-	-	6,840
-	-	-	-	409,430
98,680	-	-	-	217,861
-	-	-	-	234,073
46,831	-	-	265,307	453,217
-	66,609	-	13,665	412,118
7,492	2,084	190	2,289	75,116
36,817	-	-	36,600	603,381
<u>621,392</u>	<u>652,322</u>	<u>190</u>	<u>340,371</u>	<u>7,646,633</u>
-	-	-	-	135,110
-	-	-	-	422,266
-	-	-	-	34,159
-	-	-	-	146,477
-	-	-	-	143,692
-	-	-	15,928	678,740
-	-	3,030	371,708	5,369,059
-	651,403	-	-	824,285
635,918	-	-	-	668,997
-	-	-	-	67,786
-	-	-	-	14,320
<u>635,918</u>	<u>651,403</u>	<u>3,030</u>	<u>387,636</u>	<u>8,504,891</u>
<u>(14,526)</u>	<u>919</u>	<u>(2,840)</u>	<u>(47,265)</u>	<u>(858,258)</u>
-	-	-	40,000	1,416,032
-	-	-	(628,326)	(1,416,032)
-	-	-	(588,326)	-
(14,526)	919	(2,840)	(635,591)	(858,258)
<u>785,885</u>	<u>107,282</u>	<u>12,850</u>	<u>819,603</u>	<u>5,946,365</u>
<u>\$ 771,359</u>	<u>\$ 108,201</u>	<u>\$ 10,010</u>	<u>\$ 184,012</u>	<u>\$ 5,088,107</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2004

Total net changes in fund balances at December 31, 2004 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (858,258)
---	--------------

The change in net assets reported for governmental activities in the  
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 516,824	
Depreciation expense for the year ended December 31, 2004	<u>(485,957)</u>	30,867

Governmental funds report capital lease repayments as expenditures.  
However, this expenditure does not appear in the statement of activities  
since the payment is applied against the bond payable balance on the  
statement of net assets

12,398

Proceeds from the sale of land and disposition of assets. The sale price  
of the land and disposition of assets are shown as other revenues on the  
Statement of Revenues, Expenditures, and Changes in Fund Balances.  
However, on the Statement of Net Assets, the difference between the  
sales price and original cost of the property is recorded as a gain or loss.

Less: Sales price from sale of land and disposition of assets	(10,080)
Less: Loss on sale of land and disposition of assets	(3,031)

Difference between compensated absences earned over compensated absences used.	<u>(29,904)</u>
---	-----------------

Total changes in net assets at December 31, 2004 per Statement of Activities	<u>\$ (858,008)</u>
--	---------------------



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Combining Statement of Net Assets - Component Units  
December 31, 2004

	<u>Criminal Court</u>	<u>Tourist Commission</u>	<u>Port Commission</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 1,702	\$ 53,070	\$ 17,943	\$ 72,715
Receivables -				
Sales taxes	-	2,226	-	2,226
Other	5,151	-	-	5,151
Due from primary government	10,944	6,161	-	17,105
Other assets	-	23	-	23
Capital assets -				
Land	-	-	82,000	82,000
Capital assets, net	<u>24,674</u>	<u>1,597</u>	<u>-</u>	<u>26,271</u>
Total assets	<u>\$42,471</u>	<u>\$63,077</u>	<u>\$99,943</u>	<u>\$205,491</u>
<b>LIABILITIES</b>				
Accounts, salaries and other payables	\$ 1,354	\$ 1,838	\$ 36,294	\$ 39,486
Due to primary government	<u>7,667</u>	<u>8,294</u>	<u>-</u>	<u>15,961</u>
Total liabilities	<u>9,021</u>	<u>10,132</u>	<u>36,294</u>	<u>55,447</u>
<b>NET ASSETS</b>				
Invested in capital assets	24,674	1,597	82,000	108,271
Unrestricted	<u>8,776</u>	<u>51,348</u>	<u>(18,351)</u>	<u>41,773</u>
Total net assets	<u>33,450</u>	<u>52,945</u>	<u>63,649</u>	<u>150,044</u>
Total liabilities and net assets	<u>\$42,471</u>	<u>\$63,077</u>	<u>\$99,943</u>	<u>\$205,491</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Combining Statement of Activities - Component Units  
Year Ended December 31, 2004

	<u>Criminal Court</u>	<u>Tourist Commission</u>	<u>Port Commission</u>	<u>Total</u>
Expenses	\$ 134,951	\$ 85,739	\$ 39,035	\$259,725
Program revenues:				
Charges for services	129,552	40	-	129,592
Operating grants and contributions	-	51,000	3,000	54,000
Capital grants and contributions	-	-	13,761	13,761
Net program expenses	<u>(5,399)</u>	<u>(34,699)</u>	<u>(22,274)</u>	<u>(62,372)</u>
General revenues:				
Sales taxes	-	42,378	-	42,378
Interest earnings	112	1,203	710	2,025
Miscellaneous	750	-	-	750
Total general revenues	<u>862</u>	<u>43,581</u>	<u>710</u>	<u>45,153</u>
Change in net assets	(4,537)	8,882	(21,564)	(17,219)
Net assets - January 1, 2004	<u>37,987</u>	<u>44,063</u>	<u>85,213</u>	<u>167,263</u>
Net assets - December 31, 2004	<u>\$ 33,450</u>	<u>\$ 52,945</u>	<u>\$ 63,649</u>	<u>\$150,044</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Statement of Fiduciary Assets and Liabilities  
December 31, 2004

	<u>Agency Fund</u>
ASSETS	
Receivables	<u>\$ 200,999</u>
LIABILITIES	
Due to other governmental units	<u>\$ 200,999</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Avoyelles Parish Police Jury (Police Jury) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Avoyelles Parish occupies 850 square miles with a population of approximately 42,381. The Police Jury maintains approximately 428 miles of roads, 268 hard surfaced and 160 gravel. The Police Jury's offices are located in the Avoyelles Parish Courthouse in Marksville. The Police Jury operates one maintenance barn throughout the parish. The Police Jury currently employs a secretary/treasurer and two office employees, approximately thirty-two road crew members, three janitors, thirteen solid waste employees, eight drainage employees, a registrar of voters and two assistants, one recreational employee, an office of emergency preparedness director, one traffic sign specialist and fourteen library employees. The Police Jury also contributes to or pays the salaries of two city judges, two city marshals, nine justices of the peace and nine constables, a coroner, one courtroom employee, a district attorney and approximately nine assistants. In addition, several part-time employees are hired during the year.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing and various other state and federal grants.

A. Financial Reporting Entity

The financial reporting entity should consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete. These financial statements include the primary government and three component units as follows:

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Primary government

Avoyelles Parish Police Jury - The Police Jury is the governing authority for Avoyelles Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 9 jurors representing the various districts within the parish. The jurors serve four-year terms that expire when the first meeting is held in January of 2009.

Individual component units

The component unit column in the Statement of Net Assets and Statement of Activities includes only the financial data of three of the Police Jury's component units. It is reported in a separate column to emphasize that it is legally separate from the Police Jury and are described below:

Twelfth Judicial District Criminal Court - The Twelfth Judicial District Court is composed of two judges elected from the parish. The Police Jury approves the operating budget of the Court and has responsibility for funding any deficits. In addition, one-half of any excess funds goes to the Police Jury's General Fund. Separate financial statements of the Twelfth Judicial District Court are not issued.

Avoyelles Parish Tourist Commission - The Tourist Commission is composed of seven commissioners appointed by the Police Jury. The Police Jury approves the operating budget and has responsibility for funding any deficits. Separate financial statements of the Tourist Commission are not issued.

Avoyelles Parish Port Commission - The Port Commission is composed of seven commissioners, four of which are appointed by the Police Jury. The Port Commission has the authority to regulate the commerce of the port area within Avoyelles Parish.

The Police Jury has not evaluated all potential entities within Avoyelles Parish that should possibly be considered to part of the Avoyelles Parish Police Jury for financial reporting purposes. Only those component unit entities for which the Police Jury maintains the accounting records for are included in this report. In addition, numerous other authorities and governmental entities established within Avoyelles Parish have been excluded because control and/or financial responsibility by the Police Jury are considered remote or due to the fact that such entities are governed by separately elected governmental officials.

**B. Basis of Presentation**

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Police Jury's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Police Jury are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Police Jury are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Police Jury or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the Police Jury are described below:

Governmental Funds -

General Fund -

The General Fund is the general operating fund of the Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Road & Bridge Fund-

The Road & Bridge Fund is used to account for maintenance and upkeep of parish roads and bridges within the respective districts.

Solid Waste Fund-

The Solid Waste Fund is used to account for the providing of garbage and waste collection and/or disposal for the Parish. Financing is provided by a sales tax of three fourths of one percent (3/4%).

Drainage Fund-

The Drainage fund is used to account for expenditures for maintaining the parish drainage system. Major means of financing is provided by ad valorem taxes and state revenue sharing.

Health Unit Fund-

The Health Unit fund is used to account for the maintenance of a health unit, which provides health and welfare services to the citizens of the parish. Major means of financing is provided by ad valorem taxes and state revenue sharing.

Library Fund-

The Library Fund is used to account for the operation and maintenance of the parish library. Major means of financing is provided by ad valorem taxes and state revenue sharing.

HUD Section 8 – Program Fund

The Section 8 – Program fund is used to account for funds provided under the Section 8 Housing Voucher Program by the United States Department of Housing and Urban Development. The monies are used to aid low-income families in obtaining decent, safe and sanitary housing through a system of rental subsidies.

Casino Capital Improvement Fund-

The Casino Capital Improvement Fund is used to account for the accumulation of resources for, and payment of, cost to construct and improve public roads and bridges. Funding is provided by proceeds derived from the \$1,700,000 Certificates of Indebtedness, Series 1997.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Additionally, the Police Jury reports the following fund types:

Special Revenue Funds -

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal, state, and local grants and entitlement programs.

Debt Service Funds -

Debt service funds, established to meet requirements of bond ordinances, are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Capital Projects Funds -

Capital projects funds account for financial resources received and used to acquire, construct, or improve capital facilities not reported in other governmental funds.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

- b. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

**D. Assets, Liabilities and Equity**

**Cash, interest-bearing deposits, and investments**

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Police Jury.

Under state law, the Police Jury may invest in United States bonds, treasury notes, or certificates. Investments are stated at amortized cost.

**Interfund receivables and payables**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables."

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Police Jury maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	20-40
Equipment, furniture, and fixtures	5 years
Heavy equipment	20-40 years
Infrastructure	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Long-term debt

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists of compensated absences payable, and a capital lease payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Compensated Absences

After six months of service, employees of the Police Jury earn annual leave at the rate of 5 to 15 days each year, depending upon their length of service. Unused annual leave may be carried forward from year to year, not to exceed 20 days for hourly employees and unlimited for salary employees. Upon termination, employees are paid for unused annual leave at the employee's current rate of pay.

Employees of the Police Jury receive from 5 to 15 days of sick leave each year, depending upon their length of service. Unused sick leave may be carried forward from year to year not to exceed 120 days. Upon termination, unused sick leave is forfeited.

At December 31, 2004, employees of the Police Jury had accumulated leave benefits of \$110,546.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Revenues, Expenditures, and Expenses

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for all governmental activities.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

In the fund financial statements, expenditures are classified by character.

In the fund financial statements, governmental funds report expenditures of financial resources.

**Interfund Transfers**

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

**F. Budget and Budgetary Accounting**

Proposed budgets, prepared on a basis consistent with generally accepted accounting principles (GAAP), are submitted to the Police Jury prior to the commencement of the fiscal year. The proposed budgets are made available for public inspection not later than fifteen days prior to the beginning of the fiscal year.

Formal budget integration (within the accounting records) is employed as a management control device during the year. Expenditures are controlled by the use of outstanding purchase orders, but unliquidated encumbrances are not considered expenditures at year end. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Budget amendments are adopted by the Police Jury when revenues plus projected revenues for the remainder of the year fail to meet budgeted revenues by five percent or more and/or expenditures plus projected expenditures for the remainder of the year exceed budgeted expenditures by five percent or more.

Capital projects funds' budgets are adopted on a project basis.

Budgetary control is exercised at the fund level.

**G. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**H. Report Classification**

Certain previously reported amounts for the year ended December 31, 2003 have been reclassified to conform to the December 31, 2004 classifications.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(2) Changes in Accounting Principles

During the year ended December 31, 2004, the Police Jury implemented GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. GASB Statement No. 34 creates new basic financial statements for reporting on the Police Jury’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Police Jury also implemented GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, No. 37, Basic Financial Statements – And Management’s Discussion and Analysis – For State and Local Governments: Omnibus, No. 38, Certain Financial Statement Note Disclosures, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements. At December 31, 2004, there was no effect on fund balance as a result of implementation of GASB Statement No. 33.

The implementation of GASB Statement No. 34 caused the opening fund balance at December 31, 2003 to be restated in terms of “net assets” as follows:

Total fund balances - Governmental Funds - at December 31, 2003		\$5,946,365
Add: Cost of capital assets at December 31, 2003	\$5,569,496	
Less: Accumulated depreciation at December 31, 2003	<u>(2,351,384)</u>	3,218,112
Less: Bond principal at December 31, 2003.	-	
Compensated absences payable at December 31, 2003	(80,642)	
Capital leases payable at December 31, 2003	<u>(46,090)</u>	<u>(126,732)</u>
Net assets at December 31, 2003		<u>\$9,037,745</u>

Criminal Court

Total fund balance at December 31, 2003		\$ 10,692
Add: Cost of capital assets at December 31, 2003	\$ 52,416	
Less: Accumulated depreciation at December 31, 2003	<u>(25,121)</u>	<u>27,295</u>
Net assets at December 31, 2003		<u>\$ 37,987</u>

Tourist Commission

Total fund balance at December 31, 2003		\$ 41,592
Add: Cost of capital assets at December 31, 2003	\$ 8,735	
Less: Accumulated depreciation at December 31, 2003	<u>(6,264)</u>	<u>2,471</u>
Net assets at December 31, 2003		<u>\$ 44,063</u>

Port Commission

Total fund balance at December 31, 2003		\$ 85,213
Net assets at December 31, 2003		<u>\$ 85,213</u>
Total net assets - Component units		<u>\$ 167,263</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in June and are actually billed to taxpayers in November. Billed taxes become delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Avoyelles Parish and are collected by the Sheriff.

For the year ended December 31, 2004, taxes of 25.71 mills were levied as follows:

Parish wide taxes:

General alimony tax	4.84 mills
Drainage tax	3.36 mills
Library tax	5.95 mills
Health unit tax	1.56 mills

District taxes:

Fire protection district No. 2	<u>10.00</u> mills
--------------------------------	--------------------

Total	<u>25.71</u> mills
-------	--------------------

Total taxes levied were \$929,045. Taxes receivable at December 31, 2004 were \$858,591.

(4) Cash and Interest-Bearing Deposits

Under state law, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Police Jury may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2004, the Jury had cash and interest-bearing deposits (book balances) totaling \$3,723,369 as follows:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Reporting Entity</u>
Interest-bearing and non-interest	<u>\$ 3,650,654</u>	<u>\$ 72,715</u>	<u>\$ 3,723,369</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Under state laws, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2004 are secured as follows:

	Primary Government	Component Units	Reporting Entity
Bank balances	\$ 3,585,406	\$ 231,731	\$ 3,817,137
Federal deposit insurance	278,801	231,731	510,532
Pledged securities (Category 3)	3,306,605	-	3,306,605
Total insurance and securities pledged	\$ 3,585,406	\$ 231,731	\$ 3,817,137

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Police Jury's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent has failed to pay deposited funds upon demand.

(5) Receivables

The following is a summary of receivables at December 31, 2004:

	Total Primary Government	Total Component Unit	Reporting Entity
Primary Government -			
Taxes:			
Ad valorem taxes	\$ 858,591	\$ -	\$ 858,591
Homestead exemption taxes	145,241	-	145,241
Sales taxes	282,124	2,225	284,349
Intergovernmental:			
State	72,826	-	72,826
Other	209,176	5,152	214,328
Totals	\$ 1,567,958	\$ 7,377	\$ 1,575,335

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(6) Capital assets

Primary government

Capital asset activity for the primary government for the year ended December 31, 2004 was as follows:

	Balance 01/01/04	Additions	Deletions	Balance 12/31/04
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 389,567	\$ 60,000	\$ 10,100	\$ 439,467
Other capital assets:				
Buildings and improvements	2,455,189	75,424	-	2,530,613
Equipment, furniture and fixtures	315,898	89,851	12,265	393,484
Heavy equipment	<u>2,408,842</u>	<u>291,549</u>	<u>64,330</u>	<u>2,636,061</u>
Totals	<u>5,569,496</u>	<u>516,824</u>	<u>86,695</u>	<u>5,999,625</u>
Less accumulated depreciation				
Buildings and improvements	873,758	135,427	-	1,009,185
Equipment, furniture and fixtures	159,397	46,614	9,254	196,757
Heavy equipment	<u>1,318,229</u>	<u>303,916</u>	<u>64,330</u>	<u>1,557,815</u>
Total accumulated depreciation	<u>2,351,384</u>	<u>485,957</u>	<u>73,584</u>	<u>2,763,757</u>
Governmental activities, capital assets, net	<u>\$3,218,112</u>	<u>\$30,867</u>	<u>\$13,111</u>	<u>\$3,235,868</u>

Depreciation expense was charged to primary government activities as follows:

Public works	\$ 387,625
Economic development	15,107
Health and welfare	4,555
Culture and recreation	65,647
Public safety	<u>13,023</u>
 Total depreciation expense, governmental activities	 <u>\$ 485,957</u>



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

B. Component Units

Capital asset activity for the component units for the year ended December 31, 2004 was as follows:

	Balance 01/01/04	Additions	Deletions	Balance 12/31/04
Criminal Court				
Equipment, furniture and fixtures	\$ 52,416	\$ 5,400	\$ -	\$ 57,816
Less accumulated depreciation				
Equipment, furniture and fixtures	25,121	8,021	-	33,142
Criminal court capital assets, net	\$ 27,295	\$ (2,621)	\$ -	\$ 24,674
Tourist Commission				
Equipment, furniture and fixtures	\$ 8,735	\$ -	\$ -	\$ 8,735
Less accumulated depreciation				
Equipment, furniture and fixtures	874	6,264	-	7,138
Tourist Commission capital assets, net	\$ 7,861	\$ (6,264)	\$ -	\$ 1,597
Port Commission				
Land	82,000	-	-	82,000
Port Commission capital assets, net	\$ 82,000	\$ -	\$ -	\$ 82,000

Depreciation expense was charged to component unit activities are as follows:

Criminal Court -	
Public safety	\$ 8,021
Tourist Commission -	
Economic development	874
Total depreciation expense, component units	\$ 8,895

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Changes in Long-Term Debt

The following is a summary of the long-term debt transactions for the year ended December 31, 2004:

	Balance 1/1/2004	Additions	Deletions	Balance 12/31/2004	Amount due in one year
Governmental activities:					
Compensated absences	\$ 80,642	\$ 29,904	\$ -	\$ 110,546	\$ 38,740
Capital leases	46,090	-	12,398	33,692	13,000
	<u>\$ 126,732</u>	<u>\$ 29,904</u>	<u>\$ 12,398</u>	<u>\$ 144,238</u>	<u>\$ 51,740</u>

(8) Leases

Capital leases -

The Police Jury is obligated under one capital lease. The lease is for 47 monthly payments of \$1,193 with interest at 4.75% per annum. The expiration of the lease is June 10, 2007. The balance due on this lease at December 31, 2004 is 33,692. The leased assets are included in capital assets and applicable debt recorded in long-term debt. The following is a schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of December 31, 2004:

<u>Fiscal Year</u>	<u>Total Amount</u>
2005	\$ 14,320
2006	14,320
2007	<u>7,160</u>
Total minimum lease payments	35,800
Less: Amount representing interest	<u>(2,108)</u>
Present value of net minimum lease payments	<u>\$ 33,692</u>

Operating leases -

As a lessee, the Police Jury entered into few operating leases with lease terms of one year. The minimum annual commitments under these operating leases are considered to be immaterial.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Employee Retirement

The Police Jury participates in four cost-sharing multiple-employer, public employee retirement systems (PERS): Parochial Employees Retirement System of Louisiana (Plan A), Louisiana State Employees Retirement System, District Attorneys Retirement System and Registrar of Voters Employees Retirement System. Each system is administered and controlled by a separate board of trustees.

A. Parochial Employees Retirement System of Louisiana

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619, (225) 928-1361.

All employees working at least 32 hours per week and all elected parish officials are eligible to participate. Under Plan A, members are required by state statute to contribute 3% of their annual covered salary and the employer is required to contribute at an actuarially determined rate. The current rate is 5.25% of annual covered payroll. Plan B contributions are made on the salaries of the active plan members of each plan. The employer's contributions to the retirement system for the years ending December 31, 2004, 2003 and 2002 were \$65,608, \$44,918 and 39,834, respectively, equal to the required contributions for each year.

B. Louisiana State Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804.

Plan members are required to contribute 11.5% of their annual covered salary. The Police Jury contributed at the statutory rate of 17.8% of annual covered payroll. The Police Jury's contributions to the system for the year ended December 31, 2004, 2003 and 2002 were \$1612, \$1,435 and \$1,301, respectively, equal to the required contribution for each year.

C. Federal Social Security System

The Police Jury and its employees contribute a percentage of each employee's salary to the System (7.65 percent contributed by the Police Jury; 7.65 percent contributed by the employee). The Police Jury's contribution during the year ended December 31, 2004 amounted to \$114,937.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

D. District Attorney's Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Louisiana District Attorney's Retirement System, 2109 Decator Street, New Orleans, Louisiana 70116-2091, (504) 947-5551.

Plan members are required to contribute 7% of their annual covered salary and the Police Jury is required to contribute 3.75% of their annual covered salary.

E. Registrar of Voters Employees Retirement System

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Registrar of Voters' Retirement System, P.O. Box 57, Jennings, Louisiana 70546.

Plan members are required to contribute 7.0 percent of their annual covered salary. The Police Jury contributed at the statutory rate of 3.25% of annual covered payroll.

(10) Litigation and Claims

As of December 31, 2004, the Avoyelles Parish Police Jury was involved in various lawsuits that may result in judgments against the Police Jury. As of December 31, 2004 in the opinion of legal counsel for the Police Jury, the amounts, if any, resulting from the settlement of these pending claims not covered by insurance would not materially affect the financial statements.

(11) Federal Compliance Contingencies

The Police Jury receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Police Jury, such disallowances, if any, would not be significant.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(12) Compensation of Police Jurors

A summary of compensation paid to police jurors for the year ended December 31, 2004, follows:

Henry Hines	\$ 11,556
McKinley Keller	10,272
Mark Borrel	10,272
Anthony Desselle	10,272
Kirby Roy	10,272
Tyrone Dufour	10,272
Dale Laborde	10,272
Elzie Bryant	10,272
Keith Lacombe	10,272
	<u>\$ 93,732</u>

(13) Risk Management

The Jury is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation and employee dishonesty. All of these risks are handled by purchasing commercial insurance coverage. There have been significant reductions in the insurance coverage during the year.

(14) Interfund Transactions

A Interfund receivables and payables at December 31, 2004 are as follows:

	Interfund Receivables	Interfund Payables
Major governmental funds:		
General Fund	\$ 202,288	\$ 91,680
Road and Bridge	88,280	235,121
Solid Waste	125,217	35,828
Drainage	16,654	72,413
Health Unit	284,208	284,825
Library	63,430	64,211
Section 8 HUD	1,615	2,784
Total major governmental funds	<u>781,692</u>	<u>786,862</u>
Nonmajor governmental funds:		
Law Enforcement	2,719	304
Tricia Park Sewer	5,311	2,556
Total nonmajor governmental funds	<u>8,030</u>	<u>2,860</u>
Total	<u>\$ 789,722</u>	<u>\$ 789,722</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

The amounts due from the General Fund from various other funds are for reimbursements owed for expenditures paid for those funds. The other receivable balances are for short-term loans.

B. Transfers consisted of the following at December 31, 2004:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
General Fund	\$ 680,465	\$ 577,706
Road and Bridge	695,567	-
Solid Waste	-	210,000
Total major funds	<u>1,376,032</u>	<u>787,706</u>
Nonmajor funds:		
Tricia Park Sewer	5,000	-
Industrial District #1 \$220000	-	85,872
Industrial District #1 \$950000	-	208,572
Industrial District #1 \$800000	-	6,239
Gaming Revenue Sinking	-	327,643
Downtown Restoration	35,000	-
Total nonmajor funds	<u>40,000</u>	<u>628,326</u>
	<u>\$ 1,416,032</u>	<u>\$ 1,416,032</u>

Transfers are used to transfer unrestricted revenues collected in different funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended December 31, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - ad valorem	\$ 121,800	\$ 123,800	\$ 147,441	\$ 23,641
Licenses and permits	149,300	187,400	193,755	6,355
Intergovernmental revenues -				
Federal grants	215,000	358,000	427,062	69,062
State funds -				
State revenue sharing	37,000	37,000	37,583	583
Parish equalization funds	179,000	244,800	234,073	(10,727)
Other	124,500	133,616	141,079	7,463
Fees, charges and commissions	267,850	277,350	325,064	47,714
Use of money and property	9,730	14,165	14,713	548
Other	755,210	514,681	482,678	(32,003)
Total revenues	<u>1,859,390</u>	<u>1,890,812</u>	<u>2,003,448</u>	<u>112,636</u>
Expenditures:				
Current -				
General government:				
Legislative	122,798	126,365	135,110	(8,745)
Judicial	400,023	398,226	422,266	(24,040)
Elections	34,600	34,075	34,159	(84)
Finance and administration	140,292	143,456	146,477	(3,021)
Other	101,110	115,710	143,692	(27,982)
Public safety	529,241	647,779	662,812	(15,033)
Public works	8,440	19,969	21,733	(1,764)
Culture and Recreation	28,752	35,774	33,079	2,695
Economic development and assistance	18,789	69,643	67,786	1,857
Total expenditures	<u>1,384,045</u>	<u>1,590,997</u>	<u>1,667,114</u>	<u>(76,117)</u>
Excess deficiency of revenues over expenditures	<u>475,345</u>	<u>299,815</u>	<u>336,334</u>	<u>36,519</u>
Other financing sources (uses):				
Transfers in	628,326	628,326	680,465	52,139
Transfers out	(591,000)	(551,000)	(577,706)	(26,706)
Total other financing sources (uses)	<u>37,326</u>	<u>77,326</u>	<u>102,759</u>	<u>25,433</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>512,671</u>	<u>377,141</u>	<u>439,093</u>	<u>61,952</u>
Fund balance, beginning	<u>536,514</u>	<u>536,514</u>	<u>536,514</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,049,185</u>	<u>\$ 913,655</u>	<u>\$ 975,607</u>	<u>\$ 61,952</u>



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Road and Bridge

Budgetary Comparison Schedule  
For the Year Ended December 31, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales taxes	\$ 748,000	\$ 755,000	\$ 769,649	\$ 14,649
Intergovernmental revenues - State funds -				
Parish transportation funds	420,000	445,000	409,430	(35,570)
Use of money and property	600	2,000	1,798	(202)
Other	16,500	15,000	47,176	32,176
Total revenues	<u>1,185,100</u>	<u>1,217,000</u>	<u>1,228,053</u>	<u>11,053</u>
Expenditures:				
Public works	1,906,100	1,974,627	2,043,877	(69,250)
Debt service	-	-	14,320	(14,320)
Total expenditures	<u>1,906,100</u>	<u>1,974,627</u>	<u>2,058,197</u>	<u>(83,570)</u>
Deficiency of revenues over expenditures	(721,000)	(757,627)	(830,144)	(72,517)
Other financing sources:				
Transfers in	<u>721,000</u>	<u>721,000</u>	<u>695,567</u>	<u>(25,433)</u>
Deficiency of revenues and other financing sources over expenditures	-	(36,627)	(134,577)	(97,950)
Fund balance, beginning	<u>134,577</u>	<u>134,577</u>	<u>134,577</u>	<u>-</u>
Fund balance, ending	<u>\$ 134,577</u>	<u>\$ 97,950</u>	<u>\$ -</u>	<u>\$ (97,950)</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Solid Waste

Budgetary Comparison Schedule  
For the Year Ended December 31, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sales taxes	\$2,253,000	\$2,303,613	\$2,308,947	\$ 5,334
Fees, charges and commissions	-	-	6,780	6,780
Use of money and property	35,000	25,500	34,762	9,262
Other revenues	-	150	110	(40)
Total revenues	2,288,000	2,329,263	2,350,599	21,336
Expenditures:				
Public works	2,250,648	2,426,421	2,430,458	(4,037)
Total expenditures				
Excess (deficiency) of revenues over expenditures	37,352	(97,158)	(79,859)	17,299
Other financing uses:				
Transfers out	(210,000)	(210,000)	(210,000)	-
Deficiency of revenues over expenditures and other financing uses	(172,648)	(307,158)	(289,859)	17,299
Fund balance, beginning	2,440,574	2,440,574	2,440,574	-
Fund balance, ending	\$2,267,926	\$2,133,416	\$2,150,715	\$ 17,299

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Drainage

Budgetary Comparison Schedule  
For the Year Ended December 31, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 205,000	\$ 205,000	\$ 241,606	\$ 36,606
Intergovernmental revenues -				
Federal grants	2,000	2,114	-	(2,114)
State funds -				
State revenue sharing (net)	55,000	55,268	55,725	457
Use of money and property	<u>3,000</u>	<u>2,000</u>	<u>1,887</u>	<u>(113)</u>
Total revenues	265,000	264,382	299,218	34,836
Expenditures:				
Public works	<u>381,033</u>	<u>483,337</u>	<u>498,253</u>	<u>(14,916)</u>
Deficiency of revenues over expenditures	(116,033)	(218,955)	(199,035)	19,920
Fund balance, beginning	<u>404,455</u>	<u>404,455</u>	<u>404,455</u>	-
Fund balance, ending	<u>\$ 288,422</u>	<u>\$ 185,500</u>	<u>\$ 205,420</u>	<u>\$ 19,920</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Health Unit

Budgetary Comparison Schedule  
For the Year Ended December 31, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 95,000	\$ 95,000	\$ 112,170	\$ 17,170
Intergovernmental revenues -				
Federal grants	1,000	1,000	-	(1,000)
State funds -				
State revenue sharing (net)	25,500	25,660	25,873	213
Use of money and property	7,500	6,000	9,901	3,901
Total revenues	129,000	127,660	147,944	20,284
Expenditures:				
Health and welfare	175,545	183,865	172,882	10,983
Deficiency of revenues over expenditures	(46,545)	(56,205)	(24,938)	31,267
Fund balance, beginning	704,625	704,625	704,625	-
Fund balance, ending	\$ 658,080	\$ 648,420	\$ 679,687	\$ 31,267

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Library

Budgetary Comparison Schedule  
For the Year Ended December 31, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 410,000	\$ 410,000	\$ 427,828	\$ 17,828
Intergovernmental revenues -				
Federal grants	3,000	3,800	-	(3,800)
State funds -				
State revenue sharing (net)	97,495	97,871	98,680	809
Other	54,400	57,635	46,831	(10,804)
Use of money and property	8,000	7,000	7,492	492
Other	<u>37,200</u>	<u>36,700</u>	<u>36,817</u>	<u>117</u>
Total revenues	610,095	613,006	617,648	4,642
Expenditures:				
Culture and recreation	<u>673,657</u>	<u>608,432</u>	<u>635,918</u>	<u>(27,486)</u>
Excess (deficiency) of revenues over expenditures	(63,562)	4,574	(18,270)	(22,844)
Fund balance, beginning	<u>785,885</u>	<u>785,885</u>	<u>785,885</u>	<u>-</u>
Fund balance, ending	<u>\$ 722,323</u>	<u>\$ 790,459</u>	<u>\$ 767,615</u>	<u>\$ (22,844)</u>

AVOYELLES PARISH POLICE JURY  
 Marksville, Louisiana  
 Section 8 HUD

Budgetary Comparison Schedule  
 For the Year Ended December 31, 2004

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues -				
Federal grants	\$ 565,861	\$ 500,656	\$ 583,629	\$ 82,973
Fees, charges and commissions	66,000	122,406	66,609	(55,797)
Use of money and property	<u>1,720</u>	<u>2,000</u>	<u>2,084</u>	<u>84</u>
Total revenues	633,581	625,062	652,322	27,260
Expenditures:				
Health and welfare	<u>604,783</u>	<u>645,379</u>	<u>651,403</u>	<u>(6,024)</u>
Excess (deficiency) of revenues over expenditures	28,798	(20,317)	919	21,236
Fund balance, beginning	<u>107,282</u>	<u>107,282</u>	<u>107,282</u>	<u>-</u>
Fund balance, ending	<u>\$ 136,080</u>	<u>\$ 86,965</u>	<u>\$ 108,201</u>	<u>\$ 21,236</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Budgetary Comparison Schedule

(1) Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the District. Such amendments were not material in relation to the original appropriations.

## **OTHER SUPPLEMENTARY INFORMATION**



## **OTHER FINANCIAL INFORMATION**

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
December 31, 2004

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and interest bearing deposits	\$ -	\$ -	\$ 179,857	\$ 179,857
Receivables	636	-	-	636
Due from other funds	<u>8,030</u>	<u>-</u>	<u>-</u>	<u>8,030</u>
Total assets	<u>\$ 8,666</u>	<u>\$ -</u>	<u>\$ 179,857</u>	<u>\$ 188,523</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Cash overdraft	\$ 265	\$ -	\$ -	\$ 265
Accounts, salaries, and other payables	1,386	-	-	1,386
Due to other funds	<u>2,860</u>	<u>-</u>	<u>-</u>	<u>2,860</u>
Total liabilities	<u>4,511</u>	<u>-</u>	<u>-</u>	<u>4,511</u>
<b>Fund balances:</b>				
Unreserved, designated for capital expenditures	-	-	179,857	179,857
Unreserved, undesignated	<u>4,155</u>	<u>-</u>	<u>-</u>	<u>4,155</u>
Total fund balances	<u>4,155</u>	<u>-</u>	<u>179,857</u>	<u>184,012</u>
Total liabilities and fund balances	<u>\$ 8,666</u>	<u>\$ -</u>	<u>\$ 179,857</u>	<u>\$ 188,523</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 2004

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Intergovernmental revenues -				
Federal grants	\$ -	\$ -	\$ 22,510	\$ 22,510
State funds:				
Other	-	-	265,307	265,307
Fees, charges and commissions	13,665	-	-	13,665
Use of money and property	57	-	2,232	2,289
Other revenues	<u>-</u>	<u>-</u>	<u>36,600</u>	<u>36,600</u>
Total revenues	<u>13,722</u>	<u>-</u>	<u>326,649</u>	<u>340,371</u>
Expenditures:				
Current -				
Public safety	15,928	-	-	15,928
Public works	<u>4,955</u>	<u>-</u>	<u>366,753</u>	<u>371,708</u>
Total expenditures	<u>20,883</u>	<u>-</u>	<u>366,753</u>	<u>387,636</u>
Deficiency of revenues over expenditures	<u>(7,161)</u>	<u>-</u>	<u>(40,104)</u>	<u>(47,265)</u>
Other financing sources (uses):				
Transfers in	5,000	-	35,000	40,000
Transfers out	<u>-</u>	<u>(628,326)</u>	<u>-</u>	<u>(628,326)</u>
Total other financing sources (uses)	<u>5,000</u>	<u>(628,326)</u>	<u>35,000</u>	<u>(588,326)</u>
Deficiency of revenues and other sources over expenditures and other uses	(2,161)	(628,326)	(5,104)	(635,591)
Fund balances, beginning	<u>6,316</u>	<u>628,326</u>	<u>184,961</u>	<u>819,603</u>
Fund balances, ending	<u>\$ 4,155</u>	<u>\$ -</u>	<u>\$ 179,857</u>	<u>\$ 184,012</u>

## **NON-MAJOR SPECIAL REVENUE FUNDS**

### **Law Enforcement Fund -**

To account for court costs used to pay off-duty officers for their testimony in criminal cases.

### **Tricia Park Sewer Fund -**

To account for the operation and maintenance of the Tricia Park Sewerage System. Financing is provided by charges to customers and operating transfers from the General Fund.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Nonmajor Special Revenue Funds

Combining Balance Sheet  
December 31, 2004

	<u>Law Enforcement</u>	<u>Tricia Park Sewer</u>	<u>Total</u>
<b>ASSETS</b>			
Receivables	\$ 636	\$ -	\$ 636
Due from other funds	<u>2,719</u>	<u>5,311</u>	<u>8,030</u>
Total assets	<u>\$3,355</u>	<u>\$5,311</u>	<u>\$8,666</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Cash overdraft	\$ 265	\$ -	\$ 265
Accounts, salaries, and other payables	1,325	61	1,386
Due to other funds	<u>304</u>	<u>2,556</u>	<u>2,860</u>
Total liabilities	1,894	2,617	4,511
<b>Fund balances:</b>			
Unreserved, undesignated	<u>1,461</u>	<u>2,694</u>	<u>4,155</u>
Total liabilities and fund balances	<u>\$3,355</u>	<u>\$5,311</u>	<u>\$8,666</u>

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended December 31, 2004

	<u>Law Enforcement</u>	<u>Tricia Park Sewer</u>	<u>Total</u>
<b>Revenues:</b>			
Fees, charges and commissions	\$ 12,292	\$ 1,373	\$ 13,665
Use of money and property	<u>57</u>	<u>-</u>	<u>57</u>
Total revenues	<u>12,349</u>	<u>1,373</u>	<u>13,722</u>
<b>Expenditures:</b>			
Public safety	15,928	-	15,928
Public works	<u>-</u>	<u>4,955</u>	<u>4,955</u>
Total expenditures	<u>15,928</u>	<u>4,955</u>	<u>20,883</u>
Deficiency of revenues over expenditures	(3,579)	(3,582)	(7,161)
<b>Other financing sources:</b>			
Transfers in	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Excess (deficiency) of revenues and other sources over expenditures	(3,579)	1,418	(2,161)
Fund balances, beginning	<u>5,040</u>	<u>1,276</u>	<u>6,316</u>
Fund balances, ending	<u>\$ 1,461</u>	<u>\$ 2,694</u>	<u>\$ 4,155</u>

## **NON-MAJOR DEBT SERVICE FUNDS**

### **Industrial District #1 \$220,000 General Obligation Bonds Fund -**

To account for the accumulation of resources for, and payment of, principal, interest, and related costs of the February 1, 1979, \$220,000 bond issue, which was issued for the purpose of acquiring and/or improving lands for an industrial park within the corporate limits of the Industrial District. The bond issue is financed by a designated portion of the Industrial District No. 1-A bonds ad valorem tax.

### **Industrial District #1 \$950,000 General Obligation Bonds Fund -**

To account for the accumulation of resources for, and payment of, principal, interest and related costs for the February 1, 1979, \$950,000 bond issue. The purpose of the bond issue was to acquire industrial plant sites, and acquire and construct thereon an industrial plant building for the manufacture of steel valves and fittings and/or similar products within the Industrial District. The bond issue is financed by a designated portion of the Industrial District No. 1-A bonds ad valorem tax and revenues from leasing the building.

### **Industrial District #1 \$800,000 General Obligation Bonds Fund -**

To account for the accumulation of resources for, and payment of, principal, interest and related costs of the January 1, 1974, \$800,000 bond issue, which was issued for the purpose of acquiring an industrial plant building for the manufacture of wearing apparel within the Industrial District. The Bond issue is financed by an Industrial District No. 1-A bonds ad valorem tax and revenues from leasing the building.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 2004

	Industrial District #1 <u>\$220,000</u>	Industrial District #1 <u>\$950,000</u>	Industrial District #1 <u>\$800,000</u>	Gaming Revenue Sinking <u>      </u>	<u>Total</u>
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-	-	-
Other financing uses:					
Transfers out	<u>(85,872)</u>	<u>(208,572)</u>	<u>(6,239)</u>	<u>(327,643)</u>	<u>(628,326)</u>
Deficiency of revenues over expenditures and other uses	(85,872)	(208,572)	(6,239)	(327,643)	(628,326)
Fund balances, beginning	<u>85,872</u>	<u>208,572</u>	<u>6,239</u>	<u>327,643</u>	<u>628,326</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## **NON-MAJOR CAPITAL PROJECTS FUNDS**

### **2003 LCDBG Fund -**

To account for funds appropriated by Fifth Ward Water District to the Police Jury to hire a consultant to draft the 2003 LCDBG application. The funds will be used for water system improvements.

### **Simmesport Boat Ramp Project**

To account for the cost of building a boat ramp, parking area and primitive recreation area. Funding is to be provided as follows: \$300,000 from state funds, \$125,000 from the Red River Waterway Commission, and \$425,000 from the Corp of Engineers.

### **Downtown Marksville Restoration Project**

To account for the cost parking area for downtown Marksville. These improvements are funded by a Rural Development grant in the amount of \$50,000, \$30,000 from the City of Marksville, \$10,000 from the Marksville Chamber of Commerce and \$100,000 from the Avoyelles Parish Police Jury.

### **Bayou Lacombe Drainage Project**

To account for the cost to clean out and dredge the existing Bayou Lacombe channel. Funding to be provided by local funds in the amount of \$178,000 and a DOTD grant in the amount of \$291,000.

### **LSU Agriculture Center/ 4-H Museum**

To account for the cost of building a 4-H museum.

AVOUELLES PARISH POLICE JURY  
Marksville, Louisiana  
Nonmajor Capital Projects Funds

Combining Balance Sheet  
December 31, 2004

	Bayou Lacombe Drainage	2003 LCDBG Fund	Simmesport Boat Ramp Project	Downtown Marksville Restoration Project	LSU Ag. Center 4-H Museum	Total
ASSETS						
Cash	\$ 112,087	\$ 14,585	\$ 8,018	\$ 1,992	\$ 43,175	\$ 179,857
FUND BALANCES						
Fund balances -						
Unreserved, designated for capital expenditures	\$ 112,087	\$ 14,585	\$ 8,018	\$ 1,992	\$ 43,175	\$ 179,857

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana  
Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended December 31, 2004

	Bayou Lacombe Drainage	2003 LCDBG Fund	Simmesport Boat Ramp Project	Downtown Marksville Restoration Project	LSU Ag. Center 4-H Museum	Total
Revenues:						
Federal grants	\$ -	\$ 22,510	\$ -	\$ -	\$ -	\$ 22,510
State grants	5,307	-	230,000	-	30,000	265,307
Use of money and property	1,606	-	255	110	261	2,232
Other revenues	-	-	-	36,600	-	36,600
Total revenues	6,913	22,510	230,255	36,710	30,261	326,649
Expenditures:						
Public works	64	29,775	230,000	69,828	37,086	366,753
Excess (deficiency) of revenues over expenditures	6,849	(7,265)	255	(33,118)	(6,825)	(40,104)
Other financing sources:						
Transfers in	-	-	-	35,000	-	35,000
Excess (deficiency) of revenues and other sources over expenditures	6,849	(7,265)	255	1,882	(6,825)	(5,104)
Fund balances, beginning	105,238	21,850	7,763	110	50,000	184,961
Fund balances, ending	\$ 112,087	\$ 14,585	\$ 8,018	\$ 1,992	\$ 43,175	\$ 179,857

**COMPLIANCE, INTERNAL CONTROL  
AND  
OTHER GRANT INFORMATION**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

P.O. Box 531  
Marksville, LA 71351

Phone (318) 253-9252  
Fax (318) 253-8681

WEB SITE:  
WWW.KCSRCPAS.COM

MEMBER OF:

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

Robert S. Carter, CPA  
Allen J. LaBry, CPA  
Harry J. Clostio, CPA  
Al Leger, CPA  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA  
Mandy B. Self, CPA

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

\* A Professional Accounting Corporation

To the Members of the Police Jury  
Avoyelles Parish  
Marksville, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the Avoyelles Parish Police Jury (the Police Jury) as of and for the year ended December 31, 2004, and have issued our report thereon dated June 13, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Police Jury's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 04-1(IC).

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

183 South Beadle Road  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddil  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W. Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W. Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Police Jury's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

However, we noted an immaterial instance of noncompliance that we have reported to management of the Police Jury in a separate letter dated June 13, 2004.

This report is intended solely for the information and use of the Police Jury's management and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Marksville, Louisiana  
June 13, 2005

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

P.O. Box 531  
Marksville, LA 71351

Phone (318) 253-9252  
Fax (318) 253-8681

WEB SITE:  
WWW.KCSRPCAS.COM

MEMBER OF:

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

Robert S. Carter, CPA  
Allen J. LaBry, CPA  
Harry J. Clostio, CPA  
Al Leger, CPA  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA  
Mandy B. Self, CPA

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

\* A Professional Accounting Corporation

To the Members of the Police Jury  
Avoyelles Parish  
Marksville, Louisiana

We have audited the compliance of the Avoyelles Parish Police Jury (the Police Jury), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2004. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Police Jury's management. Our responsibility is to express an opinion on the Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Police Jury's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Police Jury's compliance with those requirements.

In our opinion, the Avoyelles Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004.

### Internal Control Over Compliance

The management of the Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

183 South Beadle Road  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddit  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W. Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W. Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Police Jury, the Police Jury's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Marksville, Louisiana  
June 13, 2005



AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Revenue Recognized</u>	<u>Issues/ Expenditures</u>
United States Department of Housing and Urban Development:			
Direct Program -			
Section 8 Housing Voucher Program*	14.855	\$ 439,209	\$ 439,209
Passed-through Lafourche Parish*	14.855	138,197	138,197
Passed-through Jeff Davis Parish*	14.855	1,230	1,230
Passed-through Alexandria Housing*	14.855	3,399	3,399
Passed-through County of San Mateo*	14.855	1,594	1,594
Passed-through Louisiana Division of Administration -			
Community Development Block Grant/State's Program			
2003 LCDBG	14.219	22,510	22,510
United States Department of the Treasury			
Passed-through Louisiana			
Department of Military Affairs -			
HMEP Hazardous Materials	97.004	392,949	392,949
Supplemental Appropriations Planning Grant	97.051	15,232	15,232
Citizen Corps Grant	97.053	3,881	3,881
Mosquito Abatement	97.039	<u>15,000</u>	<u>15,000</u>
Total Federal Awards		<u>\$1,033,201</u>	<u>\$1,033,201</u>

\*Indicates major federal financial assistance program.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2004

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the federal grant activity of the Avoyelles Parish Police Jury. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Police Jury's financial statements for the year ending December 31, 2004.

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2004

Part I. Summary of Auditor's Results:

1. An adverse opinion was issued on the financial statements.
2. A reportable condition in internal control was disclosed by the audit of the basic financial statements. The reportable condition is considered to be a material weakness.
3. No instances of noncompliance material to the financial statements which would be required to be reported in accordance with Government Auditing Standards, were disclosed by the audit of the financial statements.
4. No reportable conditions in internal control over the major programs were disclosed by the audit of the basic financial statements.
5. An unqualified opinion was issued on compliance for the major programs.
6. The audit disclosed no findings required to be reported under Section 510(a) of Circular A-133.
7. The major program is:  
U.S. Department of Housing and Urban Development: Section 8 Housing Voucher Program  
CFDA 14.855
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee qualified as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted governmental auditing standards:

Compliance Findings –

There were no findings noted that were required to be reported under the above guidance.

Internal Control Findings –

See internal control finding 04-1(IC) on the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

(Continued)

AVOYELLES PARISH POLICE JURY  
Marksville, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2004

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There are no findings that are required to be reported under the above guidance.

**AVOYELLES PARISH POLICE JURY**  
Marksville, Louisiana

**Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
Year Ended December 31, 2004**

Reference Number	Year Finding Initially Occurred	Description of Finding/ Management letter comment	Corrective Action Taken	Planned Corrective Action	Name of Contact Person	Anticipated Date of Completion
<b>CURRENT YEAR FINDINGS (12/31/04) --</b>						
<u>Internal Control</u>						
04-1	Unknown	Due to the small number of administrative personnel, the Police Jury did not have adequate segregation of accounting functions.	N/A	We agree that a complete segregation of accounting functions would strengthen the controls, but with limited current financial resources we are not available to hire additional personnel at this time.	N/A	N/A
<u>Management Letter</u>						
		The Parish Transportation Act, section 48:753B(2) specifies that funds appropriated to each parish shall be used for the benefit of the parish as a whole and within the priority ranking for the parish. The most critical needs existing parishwide according to the priority ranking shall be met first. Funds shall not be expended in the parish until the parish has complied with the provision of this Part. The Police Jury did develop and approve a list of roads with the most critical needs existing in the parish but the actual expenditures on roads during the year did not specifically follow the priority ranking.		Work performed on roads will be based upon the most critical needs of the parish as a whole and based upon the priority ranking adopted by the Police Jury. Any deviations will be approved by the Police Jury at a meeting and documented in the minutes. Changes will only be made for defects to roads that constitute a hazard to public safety that were not identified at the time the priority ranking was adopted.	Vernell Vidrine, Superintendent	August 2005
<b>PRIOR YEAR FINDINGS (12/31/03) --</b>						
<u>Compliance</u>						
03-1	2003	The Police Jury violated RS 33:4712 by failing to introduce an ordinance giving the reasons for the action and fixing the minimum price and terms prior to the sale of a building and land. In addition, as required by Attorney General Opinion 4/10/74, the proceeds were incorrectly deposited into the treasury of the Assessor, the original purchaser, rather than the treasury of the Police Jury.	Yes			
<u>Internal Control</u>						
03-2	Unknown	Due to the small number of administrative personnel, the Police Jury did not have adequate segregation of accounting functions.	N/A	We agree that a complete segregation of accounting functions would strengthen the controls, but with limited current financial resources we are not available to hire additional personnel at this time.	N/A	N/A

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

P.O. Box 531  
Marksville, LA 71351

Phone (318) 253-9252  
Fax (318) 253-8681

WEB SITE:  
WWW.KCSRCPAS.COM

MEMBER OF:

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

Robert S. Carter, CPA  
Allen J. LaBry, CPA  
Harry J. Clossio, CPA  
Al Leger, CPA  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA  
Mandy B. Self, CPA

\* A Professional Accounting Corporation

June 13, 2005

To the Members of the Avoyelles  
Parish Police Jury  
Marksville, Louisiana

Our audit of the financial statements of Avoyelles Parish Police Jury (Police Jury) for the year ended December 31, 2004 revealed a certain area in which improvements in the accounting system and financial practices of the Police Jury may be desirable. Therefore, the following recommendation is submitted for your consideration:

**Finding:** The Parish Transportation Act, section 48:755B(2) specifies that funds appropriated to each parish shall be used for the benefit of the parish as a whole and within the priority ranking for the parish. The most critical needs existing parishwide according to the priority ranking shall be met first. Funds shall not be expended in the parish until the parish has complied with the provision of this Part.

The Police Jury did develop and approve a list of roads with the most critical needs existing in the parish but the actual expenditures on roads during the year did not specifically follow the priority ranking.

**Recommendation:** Work performed on roads should be based upon the most critical needs of the parish as a whole and based upon the priority ranking adopted by the Police Jury. Any deviations should be approved by the Police Jury at a meeting and documented in the minutes. Changes should only be made for defects to roads that constitute a hazard to public safety that were not identified at the time the priority ranking was adopted.

We would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us during the performance of our audit. Should you have any questions or need assistance in implementing our recommendations, please feel free to contact us.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

183 South Beadle Road  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddil  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W. Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W. Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946